

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (MOA) is entered into between the Defense Finance and Accounting Service (DFAS or agency) and American Federation of Government Employees (AFGE), Council 171 (Union) for the purpose of proceeding with the Agency's target structure reorganizations.

The Parties mutually agree to the implementation of the target organizational structure with the understanding and agreement that the Parties will reconvene no later than 60 days from the date of this agreement to conclude the negotiations.

The co-chairs will mutually agree on preparatory and negotiating time for the aforementioned meeting.

The Agency agrees to provide requested data within 10 calendar days and will notify the Council President where the 10 days can not be met.

The Union retains the right to modify/alter and or add additional proposals derived from requested information.

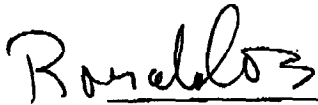
1. The Parties agree that employees will remain on career development/ladder positions (to include employees on Leader in Motion positions) until they reach their target grade.
2. The Agency shall provide the Local Union President with a monthly account of DFAS PUB actions that relate to bargaining unit employees (BUE) to include information on BUE exceptions and waiver actions.
3. The Agency shall provide a Standard Form 50 of all personnel actions to the effected DFAS BUE.
4. The Parties agree that the Agency will provide BUEs with appropriate and necessary training in a timely manner to achieve full performance level.
5. The Agency shall identify to the Union all known or planned BUE positions being considered for VERA/VSIP. To the maximum extent possible the following timelines will apply: The Council President and Local Union President will be notified 3 work days prior to the opening of the VERA/VSIP. BUEs will typically be provided a minimum of 5 days to apply for VERA/VSIP. BUEs will typically be provided a minimum of 10 days to accept or decline a VERA/VSIP offering from the closure of the application window.
6. The Parties agree to conduct a survey with 120 days of the implementation of the new targeted structure. Participation will be voluntary and anonymous. Survey results shall

be provided to the Council. Additionally, the Parties agree to jointly develop criteria for the survey within 60 days from the implementation of the target structure.

7. The parties agree that employee's grades will not change as a result of the target structure reorganizations. Restructuring will occur once the position is vacated through normal attrition, including placement under the Placement Assistance List (PAL).
8. The implementation of the target structure reorganization and the issuance of new SF-50s will not in itself trigger new background security checks.
9. The Parties agree to continue to support the Career Enhancement Program as set forth in Article 27 of the Multi-Unit Master Agreement (MUMA) and any applicable negotiated agreements.
10. The Parties agree that the PAL program shall be used at all sites as applicable.
11. The Parties agree that the Agency will identify to the Local Union President with the management representatives for each site Labor Management Committee no later than 45 calendar days after implementation of the target structure reorganization.
12. The Parties agree to the extent possible a Union representative will be included in studies or initiatives affecting bargaining unit employees related to the implementation of the target organizational structure.

The Parties agree that nothing contained in this MOA will change or alter the terms of any applicable previously negotiated agreement, such as, the PAL, the Workforce Transition Plan, and the MUMA or any current site agreements.

This agreement signed, October 20, 2006.



Kelley Dull
Union Co-chair



Lee Krushinski
Management Co-chair